

SABIC BENEFITS HANDBOOK

SABIC INNOVATIVE PLASTICS PENSION PLAN
AS OF JANUARY 1, 2020



SABIC Innovative Plastics

Pension Plan

Summary Plan Description for SABIC Employees

The SABIC Innovative Plastics Pension Plan (also referred to as the "Pension Plan" or the "Plan") is designed to be an important and dependable source of income during your retirement years. SABIC Innovative Plastics (the "Company") participates in the Pension Plan, as do a number of other SABIC affiliate companies. For a list of all SABIC affiliates that participate in the Pension Plan (the "Participating Companies"), see Section 8.8, "Which SABIC Affiliates Are Participating Companies?"

About this Summary Plan Description (SPD)

This SPD has been prepared to help you better understand and use your pension benefits. It is a summary of the plan documents and policies that govern your pension benefits. It is intended to provide an easy-to-understand explanation of your benefits. It does not include all plan provisions, especially those relating to situations that are unlikely to occur or that could affect only a few participants.

This SPD is intended to meet the requirements for a summary plan description.

The Plan was **frozen** effective December 31, 2019. No participant can earn Pension Benefit Service after such date. Additionally, no participant can earn Pension Qualification Service after such date, except for purposes of determining eligibility for early retirement and death benefits. Finally, no compensation earned after such date will be considered in calculating your retirement benefit. In effect, the amount of your retirement benefit is frozen and will not increase after December 31, 2019.

The SABIC Innovative Plastics Pension Plan was **closed** to any additional participants (new hires, newly eligible or rehired) effective January 1, 2014. Only Legacy Core and Legacy Delta retirement platform employees hired or rehired into an eligible position within the Innovative Plastics entity on or before December 31, 2013 continued to accrue benefits under this Plan.

The Company reserves the right to terminate, amend or replace any benefits program or plan, in whole or in part, at any time and for any reason. See Section 8.4, "Can the Plan Be Changed, Replaced or Terminated." If there is a conflict between this SPD and the plan documents, the plan documents will rule.

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1 Key Things to Know

You were automatically enrolled.

Legacy SABIC Innovative Plastics employees were automatically enrolled in the Pension Plan on their first day of eligible employment. If you were a Legacy Core or Legacy Delta employee, you began to earn plan benefits as soon as you were eligible. See Section 3.2, "How do I participate?"

For an explanation of the Company's two Legacy SABIC Innovative Plastics retirement platforms, including definitions of Legacy Core and Legacy Delta employees, see Section 3.1, "Who is eligible?"

The Pension Plan is now frozen.

The Plan was **frozen** effective December 31, 2019. No participant can earn Pension Benefit Service after such date. Additionally, no participant can earn Pension Qualification Service after such date, except for purposes of determining eligibility for early retirement and death benefits. Finally, no compensation earned after such date will be considered in calculating your retirement benefit. In effect, the amount of your retirement benefit is frozen, and will not increase after December 31, 2019.

The Pension Plan is closed to new entrants.

The Pension Plan was **closed** to any additional participants (new hires, newly eligible or rehired) effective January 1, 2014. Only Legacy Core and Legacy Delta employees hired into an eligible position within the Innovative Plastics entity on or before December 31, 2013 continued to accrue benefits under this Plan.

Your benefits are based on your pay and service as of December 31, 2019.

Your benefits are the total of:

- Your Regular or Guaranteed Minimum Pension as of December 31, 2019, whichever is greater; **plus**
- Any early retirement supplements for which you were eligible as of December 31, 2019.

You're vested in your Regular and Guaranteed Minimum Pensions after five years of Pension Qualification Service (PQS).

Vesting means you have earned the right to receive a pension plan benefit at retirement age — even if you leave the Company before retirement. See Section 3.4, "What is vesting?"

You can retire with full earned benefits.

- **Legacy Delta employees**—at age 65, or as early as at age 62 if you have 25 years of Pension Qualification Service
- **Legacy Core employees**—as early as age 60.

See Section 3.5, "When can I retire and receive Pension Plan benefits?"

The plan can provide payments for your survivor, whether you die before or after retirement.

If you die after you retire, your surviving spouse can receive 50%, 75% or 100% of your reduced benefit. If you die before you retire, your surviving spouse can receive monthly payments or a lump-sum payment, depending on your age and your service at death.

Other pre-retirement death benefits may apply for non-spouse beneficiaries. See Section 5.3, "What happens if I die before retirement?"

SABIC also contributes to two other important sources of retirement income for all active employees.

- Social Security; and
- The SABIC U.S. Employee Retirement Savings Plan ("401(k) Savings Plan"), based on the amount you save. See your separate SPD for the 401(k) Savings Plan for more information and refer to section 4.2, "How much will the Company contribute?"

For important information about the administration of the SABIC Innovative Plastics Pension Plan, see Section 8, "Administration and Other Important Information." For definitions of important terms used in this SPD, see Section 9, "Key Terms."

2 Key Things to Do

When you have questions about the Plan

- **Read this summary plan description (SPD)** — It will help you understand how the Pension Plan works.

While you're working

- **Plan your retirement in advance** — develop a savings and investment plan — You can check the current estimated value of your pension online or request an estimate by calling the SABIC Benefits Service Center. As you plan, consider other savings options available to you inside and outside of the Company, such as the 401(k) Savings Plan, and Individual Retirement Accounts (IRAs).
- **Decide how you want your retirement benefits paid to you** — taking into account any benefits you may be getting from Social Security, the 401(k) Savings Plan and your own savings. Get expert advice on the possible tax consequences of your retirement decisions. For information on available payment options, see Section 4.11, "What are my pension payment options?"
- **For information about retirement** — go to the Your SABIC Total Rewards website online (www.benefits-us.sabic.com), and access Your Pension Resources or call the SABIC Benefits Service Center at 877-SABIC-US (877.722.4287) and elect the applicable option for Retirement. For information on contacting the SABIC Benefits Service Center for Retirement online or by phone, see Section 7, "Contacts."

When you're ready to retire

- **To avoid a delay in your retirement payments** — contact your human resources representative and the SABIC Benefits Service Center at least three months before your intended retirement date.
- **If you have a vested Pension Plan benefit** — but are no longer employed by the Company, you can obtain any retirement forms you need by calling the SABIC Benefits Service Center at 877-SABIC-US (877.722.4287) and elect the applicable option for Retirement. For information on contacting the SABIC Benefits Service Center for Retirement online or by phone, see Section 7, "Contacts."

3 Pension Plan Basics

This section of the SPD describes who is eligible for the SABIC Innovative Plastics Pension Plan, how you participate in the plan, how you “vest” in your Pension Plan benefits and other fundamental information.

For details on how your benefits are determined under the SABIC Innovative Plastics Pension Plan, see Section 4, “How the Pension Plan works.”

For information on special situations, such as job loss or disability, see Section 5, “In Special Cases.”

For charts and formulas that will help you understand how your Pension Plan benefit is calculated, see Section 6, “Look-It-Up Charts.”

3.1 Who is eligible?

If you are a Legacy Core or Legacy Delta employee working full-time or part-time for the Company, you are eligible to participate in the SABIC Innovative Plastics Pension Plan. The Pension Plan was **closed** to any additional participants (new hires, newly eligible or rehired) effective January 1, 2014. Only Legacy Core and Legacy Delta employees who were hired into eligible positions at the Innovative Plastics entity on or before December 31, 2013 and who did not subsequently terminate their employment continued accruing benefits under this Plan until the Plan was frozen on December 31, 2019.

If you are not a Legacy Core or Legacy Delta employee, then you were not eligible to accrue benefits under this Pension Plan. All employees hired on or after January 1, 2014 by the Company or any other SABIC entity are ineligible for benefits under this Pension Plan.

You automatically became a participant and started earning benefits on your first day of service with the Innovative Plastics Business, if you were hired, became newly eligible, or were rehired into an eligible position with the Innovative Plastics entity prior to January 1, 2014. If you transitioned from the General Electric Company (GE) and became a SABIC Innovative Plastics employee on October 22, 2007 (the date the plan went into effect), you became a participant on that date. If you were on an approved leave of absence as of the date of transition (October 22, 2007), then later transitioned and became an employee of SABIC Innovative Plastics, you became a participant on the date you were cleared to return to work and employed by SABIC Innovative Plastics. This transition to SABIC Innovative Plastics must have occurred within the one year of job protection or within 18 months if absence was due to a work-related injury.

For the SABIC Innovative Plastics Pension Plan, a Company employee is an individual on the active payroll of:

- SABIC Innovative Plastics; or
- An affiliate that participates in the SABIC Innovative Plastics Pension Plan. See Section 8.8, “Which SABIC affiliates are participating companies?”

An individual that was a Legacy Core or Legacy Delta employee prior to January 1, 2014, who subsequently transferred directly to another Participating Company, continued to be eligible for participation in the plan following such transfer.

Any Legacy Core or Legacy Delta employee who broke service from the Company on or after January 1, 2014, was ineligible to participate in the Pension Plan during any subsequent employment with the Company.

Please see chart below that describes in more detail each of the Legacy SABIC Innovative Plastics retirement platforms that are eligible to participate in this Pension Plan.

You are a **Legacy Core** employee if:

- You are an exempt employee or non-exempt non-manufacturing employee who was hired by General Electric before January 1, 2005 and transferred to SABIC Innovative Plastics on October 22, 2007 (or were on leave from GE on that date and transferred to SABIC Innovative Plastics upon the expiration of your leave) and maintained your continuous service between January 1, 2005 and the date of your transfer to SABIC Innovative Plastics;
- You are a non-exempt manufacturing employee hired by SABIC Innovative Plastics or its predecessor General Electric before January 1, 2008 and if this hire date was before October 22, 2007 you transferred to SABIC Innovative Plastics on that date (or were on leave from GE on that date and transferred to SABIC Innovative Plastics upon the expiration of your leave) and maintained your continuous service between October 22, 2007 and January 1, 2008;
- You are an hourly employee hired by SABIC Innovative Plastics or its predecessor General Electric before January 1, 2008 and if this hire date was before October 22, 2007 you transferred to SABIC Innovative Plastics on that date (or were on leave from GE on that date and transferred to SABIC Innovative Plastics upon the expiration of your leave) and maintained your continuous service between October 22, 2007 and January 1, 2008; or
- You are an employee re-hired by SABIC Innovative Plastics after October 22, 2007 and before January 1, 2014, and you were classified as a Core employee during a previous period of employment by the Company, and you did not take a lump-sum payment from the SABIC-IP Pension Plan.

Please also note the following:

- If you were a Legacy Core Retirement Platform employee prior to January 1, 2014, and you subsequently transferred directly to another Participating Company, you will remain a Legacy Core Retirement Platform employee and may continue to be eligible for participation in the Pension Plan following such transfer.
 - Your classification as a Legacy Core employee under the Pension Plan may not determine your classification under other retirement and benefit programs. Please see the applicable summary plan description for such other programs for more information.
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You are a **Legacy Delta** employee if:

- You are an exempt employee or non-exempt non-manufacturing employee hired by SABIC Innovative Plastics or its predecessor General Electric on or after January 1, 2005 and transferred to SABIC Innovative Plastics on October 22, 2007 (or were on leave from GE on that date and transferred to SABIC Innovative Plastics upon the expiration of your leave) and maintained your continuous service;
- You are a hourly or non-exempt manufacturing employee hired by SABIC Innovative Plastics on or after January 1, 2008 (Epsilon employees moved to the Delta retirement platform on 4/1/2009);
- You are an exempt employee or non-exempt non-manufacturing employee hired by SABIC Innovative Plastics on or after October 22, 2007; or
- You are an employee re-hired by SABIC Innovative Plastics after April 1, 2011 and before January 1, 2014, and you were classified as a Core employee during a previous period of employment by the Company, but you took a complete lump-sum payment from the SABIC-IP Pension Plan.

Please also note the following:

- If you were a Legacy Delta Retirement Platform employee prior to January 1, 2014, and you subsequently transferred directly to another Participating Company, you will remain a Legacy Delta employee and may continue to be eligible for participation in the Pension Plan following such transfer.
- Your classification as a Legacy Delta employee under the Pension Plan may not determine your classification under other retirement and benefit programs. Please see the applicable summary plan description for such other programs for more information.

Individuals not eligible

You are not eligible to participate in the SABIC Innovative Plastics Pension Plan if you are:

- An intern, co-op, seasonal help employee, rehired pensioner, independent contractor, leased employee, or any other such individual performing services for a Participating Company regardless of whether or in what matter you are paid;
- Covered by a collective bargaining agreement that does not provide for participation in the SABIC Innovative Plastics Pension Plan;
- Employed by an affiliate that does not participate in the SABIC Innovative Plastics Pension Plan;
- An individual classified by the Company as a leased employee or contingent worker or as an independent contractor;
- An individual engaged under an agreement that states that you are not eligible to participate in the SABIC Innovative Plastics Pension Plan;
- Any other individual who provides services to the Company but is not on the active payroll of the Company;
- In any other special classification of employees that is not eligible, as determined by the Company (including any Legacy SAI or Zeta employee); or
- Any newly hired, newly eligible, or rehired employee on or after January 1, 2014 (regardless of what entity hired you). The SABIC Innovative Plastics Pension Plan was closed to new participants effective January 1, 2014.

In the event you are denied eligibility because you are not treated as an employee, your subsequent reclassification by a court or other authority as a common law employee will not entitle you to participate in the SABIC Innovative Plastics Pension Plan.

3.2 How do I participate?

No new participation is permitted under the Pension Plan as of January 1, 2014.

If you are a Legacy Core or Legacy Delta employee working full-time or part-time, you started participating on your first day of work with the Company. Participation was automatic. You did not need to enroll and no employee contributions are required.

3.3 How can I get a retirement income estimate?

Planning for retirement is a personal responsibility. To help, the Company provides an online retirement income estimating service. You can go online to Your SABIC Total Rewards website, and access Your Pension Resources (a pension modeling tool) or call the SABIC Benefits Service Center for a confidential retirement income estimate of your projected SABIC Innovative Plastics Pension benefit.

You can ask that a written report be sent to your home with the estimates and an explanation of terms and other information.

You can access the Your SABIC Total Rewards website online, and access Your Pension Resources online at any time. Or you can call the SABIC Benefits Service Center and elect the applicable option for Retirement between 8:30 a.m. to 5 p.m., Eastern Time, Monday through Friday to request a pension estimate. You'll need your user ID and password to access the center. See "Contacts" in Section 7 for the Retirement website address and information on contacting the SABIC Benefits Service Center.

For a projection of your Social Security benefit based on your **actual** employment and earnings, contact the Social Security Administration directly at 1-800-772-1213. General Social Security information is also available at www.ssa.gov.

3.4 What is vesting?

Vesting is important because it means you have the right to a SABIC Innovative Plastics-provided pension benefit at retirement, even if you leave the Company or an affiliate before retirement age.

To become vested in the Regular and Guaranteed Minimum Pensions, you must:

- Complete five years of Pension Qualification Service (PQS) or complete five years of any combination of PQS and Pension Vesting Service; or
- Reach age 60 while actively employed by the Company or a nonparticipating affiliate, regardless of your service.

Note that, except for purposes of determining eligibility for early retirement and death benefits, no PQS can be earned after December 31, 2019.

If you don't meet the vesting requirements, you forfeit your Regular and Guaranteed Minimum Pension benefits upon your termination of employment.

A quick look at service

Two “key terms” are used to define service in the SABIC Innovative Plastics Pension Plan. See Key Terms in Section 9 of this SPD for more detailed explanations of these and other service-related terms.

Pension Qualification Service (PQS) — used generally to determine your **eligibility** for pension benefits. If you were a full-time employee while participating in the SABIC Innovative Plastics Pension Plan, you were credited with one year of PQS for each year in which you were credited with at least 1,000 hours of service. This means, in any calendar year, you generally received a year of PQS on the day you were credited with 1,000 hours — even if you had not worked the full year. If you transferred between a nonparticipating affiliate and the Company, or if your business was acquired by the Company, you may have received PQS and/or “Pension Vesting Service” credit for some or all of your service with the nonparticipating affiliate or the acquired business.

If you were employed by General Electric on October 21, 2007 and transferred to SABIC Innovative Plastics on October 22, 2007, your PQS will include service earned under the GE Pension Plan.

You will not be credited with PQS after December 31, 2019, except for purposes of determining eligibility for early retirement and death benefits.

Pension Benefit Service (PBS) — used to calculate the **amount** of some of your pension benefits. In simplified terms, it is equivalent to your full and partial years of service while you participate in the SABIC Innovative Plastics Pension Plan.

You will not be credited with PBS after December 31, 2019.

To find out how much service you have under the plan, you can go online to the Your SABIC Total Rewards website www.benefits-us.sabic.com, and access Your Pension Resources, or call the SABIC Benefits Service Center at 877 SABIC US (877.722.4287) and request a pension estimate.

Vesting for Certain Polymershapes Employees

Certain Polymershapes employees were deemed to have completed five years of PQS. This could apply if you (i) were employed by the Company on December 31, 2016 or were on an approved leave of absence (ii) were participating in the Plan on December 31, 2016, and (iii) commenced employment with Polymershapes LLC on January 1, 2017 or you returned from a leave of absence and commenced employment with Polymershapes LLC on or before May 28, 2017.

3.5 When can I retire and receive pension benefits?

If you are a Legacy Core employee, you can retire directly from the Company as early as age 60 with your full earned pension.

If you are a Legacy Delta employee, you can retire with your full earned pension:

- At age 65; or
- At age 62 if you have completed 25 or more years of PQS.

If you are a Legacy Delta employee and retire at or after age 60 but before meeting the requirements for a full pension, your benefit is reduced for each month that your payments start before age 65. However, if you retire after you reach age 62 and complete 25 or more years of PQS, there is no reduction in your pension. See Section 4.4, “What adjustments are made to my Regular Pension?” for more information.

See Section 3.1, “Who is Eligible?” for definitions of Legacy Core and Legacy Delta employees.

The normal retirement date, as defined by the plan, is the first day of the month following your 65th birthday.

In order to receive your pension, your employment with the Company and all affiliates normally must terminate. However, if you work after reaching age 70½, you will automatically begin to receive payments no later than April 1 following the year in which you reach age 70½, even if you are still working for the Company or any affiliate at that time.

Special Cases

See Section 5.1, “What other special pension protection does the Company provide for long-service employees?” for a discussion of another early payment option that may apply to you.

Special Early Commencement Benefit Options for Terminated Vested Participants: If you terminate(d) your employment after April 1, 2015 at any time prior to your normal retirement date (age 65) with a vested benefit of at least \$1,000, you may elect to receive the present value of your retirement benefit at any time before reaching your normal retirement date. This option is available to both Legacy Core and Legacy Delta employees.

4. How the Pension Plan works

Each of the components of your SABIC Innovative Plastics Pension Plan benefit is described in detail in this section of the SPD.

4.1 How much will I receive once I retire?

Your pension benefit at retirement depends on how much you’ve earned while you’ve participated in the plan during your employment with the Company, and on the form of payment you elect.

The SABIC Innovative Plastics Pension Plan pays benefits based on the Regular Pension formula and the Guaranteed Minimum Pension formula. If you’re vested, your benefit is determined by the calculation that pays the greater benefit.

Effective December 31, 2019, the Plan was frozen. Accordingly, you will not accrue benefits under the Regular Pension Formula or the Guaranteed Minimum Pension Formula after that date. In effect, the amount of your retirement benefit is frozen, and does not increase after December 31, 2019.

You can receive your pension in equal monthly payments, called an annuity, or as a one-time lump sum payment. The annuity generally begins when you retire and continues for your lifetime.

Add it up

Your SABIC Innovative Plastics Pension Plan benefit equals:

The higher of your Regular Pension or your Guaranteed Minimum Pension as of December 31, 2019 + Any early retirement supplements for which you were eligible as of December 31, 2019

Details on the early retirement supplements appear in Section 4.8, “What are the early retirement supplements?”

4.2 What is my Regular Pension?

Your Regular Pension is based on the pay you’ve earned while you’ve participated in the plan during your years of Company employment up to December 31, 2019. It is the sum of the pension credits you’ve earned each year up to December 31, 2019, plus any special adjustments you may receive.

KEY POINT

Your total retirement income

Pension Plan income
+
Social Security
+
Income from personal savings (including the Retirement Savings Plan)
=
Your total retirement income

What pay counts

Your pension benefit is determined by your pay from the Company. For purposes of the SABIC Innovative Plastics Pension Plan, your pay includes all of the following, earned up to December 31, 2019:

- Normal salary and straight-time earnings, including vacation pay and certain other pay for absences;
- Overtime and night-shift bonuses;
- 50% of Short-Term Incentive (STI) compensation through December 31, 2013; 100% of Short-Term Incentive (STI) compensation effective January 1, 2014;
- Variable Incentive Compensation (VIC);
- Annual Incentive Plan (AIP) compensation;
- Pre-tax contributions that you make under a Company-sponsored cafeteria plan or qualified transportation fringe benefit program;
- Any deferrals you elect under the 401(k) Savings Plan; and
- Lump-sum wage or salary payments.

For the SABIC Innovative Plastics Pension Plan, your pay does not include:

- Incentive Compensation other than the categories listed above;
- Commissions;
- Living allowances;
- Retainers;
- Management awards;
- Suggestion awards;
- Payments from other Company plans, such as job-loss benefits;
- Any other special payments, unless approved; or
- Any pay earned after December 31, 2019.

See Section 5.8, "How do federal regulations affect the plan?" for information on IRS limits that may restrict how much pay is considered.

4.3 What are pension credits?

Prior to December 31, 2019, you accumulated pension credits each year you participated in the Plan as an active employee. These credits were based on a percentage of your annual pay according to the formula for that year.

For each calendar year in which you were a plan participant, you received credits equal to:

1.45% of your annual pay up to a breakpoint; and

1.90% of your annual pay above the breakpoint.

Effective December 31, 2019, you no longer earn pension credits under the Plan.

About the breakpoint

The following have been the breakpoints since 2007 when the SABIC Innovative Plastics Pension Plan was created:

| | | | |
|------|----------|------|----------|
| 2007 | \$35,000 | 2014 | \$55,000 |
| 2008 | \$40,000 | 2015 | \$58,000 |
| 2009 | \$40,000 | 2016 | \$61,000 |
| 2010 | \$40,000 | 2017 | \$64,000 |
| 2011 | \$40,000 | 2018 | \$67,000 |
| 2012 | \$49,000 | 2019 | \$70,000 |
| 2013 | \$52,000 | | |

The breakpoint was calculated based on the covered compensation amount published annually by the Internal Revenue Service (IRS). The IRS covered compensation amount is derived from Social Security taxable wage bases. The SABIC Innovative Plastics Pension Plan used covered compensation for a 65-year-old person to determine the breakpoint. If you continued working beyond age 65, you continued to use the breakpoint that was in effect in the year you reached age 65.

4.4 What adjustments are made to my Regular Pension?

Early retirement reduction for Legacy Delta employees

If you are a Legacy Delta employee who retires before age 65 or before meeting the requirements for an unreduced pension (age 62 with 25 years of Pension Qualification Service), your benefit is reduced 5/12% for each month (or 5% for each full year) that payments start before you are age 65.

| If your age when payments begin is... | Then your benefit is reduced by... |
|---------------------------------------|------------------------------------|
| 65 or older | 0% (no reduction) |
| 64 | 5% |
| 63 | 10% |
| 62 | 15% |
| 61 | 20% |
| 60 | 25% |

If you retire after you have reached age 62 and also earned 25 years of service, there is no reduction in your pension.

Reduction for benefits under foreign law

Your Regular or Guaranteed Minimum Pension may be reduced if you or a beneficiary receives payments under a foreign law or as a result of foreign custom (including severance or retirement benefits). If this ever affects you, you will be notified. Note that pension benefits are not reduced by any benefits you receive from Social Security.

4.5 What is my Guaranteed Minimum Pension?

Your Guaranteed Minimum Pension is determined by your years of PBS and your “High-3 Pay,” limited by a specified threshold. If your Guaranteed Minimum Pension benefit amount is higher than your Regular Pension benefit amount, the Pension Plan adds to your Regular Pension to bring it to the Guaranteed Minimum Pension level.

Effective December 31, 2019, the Plan is frozen. Accordingly, you will not accrue Guaranteed Minimum Pension benefits or Regular Pension benefits after such date. You can only receive the Guaranteed Minimum Pension or Regular Pension benefits earned as of December 31, 2019.

Understanding High-3 Pay

Effective December 31, 2019, the Plan is frozen. No Compensation earned after that date is considered in calculating your Guaranteed Minimum Pension benefit. If you retire after December 31, 2019, your High-3 Pay is calculated by looking back over the 10 calendar years preceding December 31, 2019, to determine the three consecutive year period in which you earned the most and were a participant. Your annual compensation during these three consecutive years is then averaged to create your High-3 Pay. Your High-3 Pay is then limited to a specified threshold (currently \$73,001) and is used to determine the monthly benefit you are eligible to receive for each year of PBS.

If you retired prior to December 31, 2019, your High-3 Pay was calculated by looking back over the last 10 calendar years before your retirement.

4.6 How can I calculate my Guaranteed Minimum Pension?

To calculate your Guaranteed Minimum Pension, determine your High-3 Pay and then look up the corresponding amount of Guaranteed Minimum Pension in Section 6.2, “Guaranteed Minimum Pensions.”

An example: calculating the Guaranteed Minimum Pension on or before December 31, 2019

James, age 60, has 30 years of PBS when he decides to retire on January 1, 2015. His High-3 Pay is \$50,000. He will receive the Guaranteed Minimum Pension if the calculated benefit amount is higher than his Regular Pension’s calculated benefit amount.

| | Guaranteed Minimum Pension annual benefit amount | Regular Pension annual benefit amount |
|---|---|--|
| James’ annual benefit based on his High-3 Pay and PBS Annual benefits | \$561 per year x 30 years \$16,830 per year | \$14,500 per year |

James receives the higher benefit — \$16,830 per year.

An example: calculating the Guaranteed Minimum Pension after December 31, 2019

Angela, age 65, has been with the Company for 30 years when she decides to retire on January 1, 2025. Angela’s salary during her final year (2024) is \$45,000 – but her salary after the Plan was frozen (December 31, 2019) is not taken into account. Because the Plan was frozen on December 31, 2019, both Angela’s Guaranteed Minimum Pension benefit and Regular Pension benefit are calculated as of December 31, 2019. Angela will receive the Guaranteed Minimum Pension benefit if the calculated benefit amount is higher than her Regular Pension’s calculated benefit amount. On December 31, 2019, Angela had accrued 24 years of PBS, her highest annual pay was \$41,000, and her High-3 Pay was \$39,782.

| | Guaranteed Minimum Pension annual benefit amount | Regular Pension annual benefit amount |
|---|---|--|
| Angela’s annual benefit based on her High-3 Pay and PBS Annual benefits | \$435 per year x 24 years \$10,440 per year | \$10,277 per year |

Angela receives the higher benefit — \$10,440 per year.

Your Guaranteed Minimum Pension won’t be less than the pension that would have been paid based on your Pension Qualification Service, Pension Benefit Service, and Compensation on any earlier retirement date.

4.7 What is the wrap benefit?

The wrap benefit is a benefit minimum. It applies only to SABIC Innovative Plastics Pension Plan participants who were former General Electric employees hired by SABIC Innovative Plastics on October 22, 2007 and GE employees who were on approved leaves of absence as October 22, 2007 who became SABIC Innovative Plastics employees upon returning from leave. The wrap benefit is based on the Guaranteed Minimum Pension amount computed using your compensation and Pension Benefit Service under both the SABIC Innovative Plastics Pension Plan and the GE Pension Plan. That amount is reduced by your pension payable under the GE Pension Plan (based on your time as a participant in that plan) to determine your wrap benefit. If your wrap benefit is greater than your regular Guaranteed Minimum Pension amount, the wrap benefit will be the benefit you receive under the plan.

Effective December 31, 2019, the Plan is frozen. Accordingly, you will not accrue any additional benefits after such date. This means that the amount of your wrap benefit (if any) is based on benefits earned as of December 31, 2019. In other words, your wrap benefit is

the Guaranteed Minimum Pension amount computed using your compensation and Pension benefit Service under the SABIC Innovative Plastics Pension Plan and the GE Pension Plan as of December 31, 2019, reduced by your pension payable under the GE Pension Plan

For certain former Borg-Warner Chemicals Inc. Retirement Plan participants who later became participants in the GE Pension Plan, the wrap benefit is calculated without regard to any service or compensation earned before 1989 and without regard to any benefits payable under the GE Pension Plan for that service or compensation.

4.8 What are the early retirement supplements?

Early retirement supplements provide extra income to you for a period of time following your qualifying early retirement. You may qualify if you are a Legacy Core employee who retires directly from the Company. Early retirement supplements are not available to Legacy Delta employees.

These supplements are paid in addition to your Regular or Guaranteed Minimum Pension and include the:

- Regular Supplement; and
- Special Early Retirement Supplement.

Duration of payments

The Regular and the Special Early Retirement Supplements will be paid until you can qualify to receive 80% of your full Social Security retirement benefits. The age at which you can qualify for this treatment is referred to in this SPD as your “80% Social Security age.” Your 80% Social Security age depends on when you were born, as shown in the table below.

| Year of birth* | The age at which payments end (80% Social Security age)* |
|----------------|--|
| 1942 | 62 and 10 months |
| 1943 – 1954 | 63 |
| 1955 | 63 and 2 months |
| 1956 | 63 and 4 months |
| 1957 | 63 and 6 months |
| 1958 | 63 and 8 months |
| 1959 | 63 and 10 months |
| After 1959 | 64 |

*Note: The plan determines your year of birth and 80% Social Security age in accordance with Social Security laws in effect on June 1, 2007, even if those laws change. One particular convention you should be aware of is that under these rules, you are considered to reach an age on the day before your birthday.

You are free to start reduced Social Security retirement benefits from the U.S. government as soon as the law allows (currently age 62) instead of waiting until your 80% Social Security age. Your decision about when to actually start Social Security retirement benefits won't have any effect on how long you receive supplements from the SABIC Innovative Plastics Pension Plan.

Your supplements from the Pension Plan will be paid through the month in which you could have started receiving 80% of your full Social Security retirement benefits, at which point all early retirement supplement payments cease to be paid. In addition, all early retirement supplements from the plan stop immediately if you return to work at the Company or an affiliate or if you die.

KEY POINT

Eligibility for early retirement supplements

You are not eligible for a regular or special early retirement supplement if you are a Delta employee. See Section 3.1, Who is Eligible for information on Delta employees.

4.9 How does the Regular Supplement work?

You are eligible to receive the Regular Supplement if you retire directly from the Company with at least five years of PQS at or after age 60 and before you reach your 80% Social Security age, as described in Section 4.8, "What are the early retirement supplements?"

Effective December 31, 2019, PQS is frozen and, therefore, you will not be credited with PQS for periods after such date for purposes of earning the Regular Supplement. Accordingly, you will only be eligible for the Regular Supplement if you completed five or more years of PQS and reached age 60 as of December 31, 2019.

The Regular Supplement is \$17 a month for each year of your PBS if you terminated employment after October 22, 2007 and before July 1, 2009 or \$18 a month for each year of your PBS if you terminate employment on or after July 1, 2009.

Effective December 31, 2019, PBS is frozen and, therefore, you will not be credited with any PBS for periods after such date. Accordingly, the amount of your Regular Supplement (if eligible) will not increase after December 31, 2019.

Note that your supplement(s) could be reduced if they are greater than your estimated Social Security benefit.

4.10 How does the Special Early Retirement Supplement work?

You were eligible to receive the Special Early Retirement Supplement in addition to the Regular Supplement if you were a Legacy Core employee who retired directly from the Company with at least 25 years of PQS at or after age 60 and before you reached your 80% Social Security age, as described in Section 4.8, "What are the early retirement supplements?" The Special Early Retirement Supplement was available only if you terminated employment after October 22, 2007 on or before June 30, 2020.

Effective December 31, 2019, PQS was frozen and, therefore, you are not credited with PQS for periods after such date for purposes of becoming eligible for the Special Early Retirement Supplement. Accordingly, you were only eligible for the Special Early Retirement Supplement if you completed twenty-five or more years of PQS and reached age 60 as of December 31, 2019.

The Special Early Retirement Supplement is \$375 a month. Note that your supplement(s) could be reduced if they are greater than your estimated Social Security benefit.

An example: early retirement supplements

Brigid, born May 2, 1960, wants to retire early on June 1, 2020 with the Special Early Retirement Supplement. She had 25 years of PQS on December 31, 2019, so she becomes eligible for the Special Early Retirement Supplement on her 60th birthday.

Here are the early retirement supplement payments she receives in addition to her Regular or Guaranteed Minimum Pension benefits. These supplements are paid each month until age 64 ending with the May 1, 2024 pension payment. (Note that if Brigid were born on May 1 instead, her supplements from the plan would end on April 1, 2024.)

What Brigid receives:

| | |
|---|--------|
| Regular Supplement (\$18 x 12 years of PBS*) | \$ 216 |
| Special Early Retirement Supplement | + 375 |
| | _____ |
| Total monthly supplements to Regular or Guaranteed Minimum Pension benefits until 80% Social Security age | \$ 591 |

* The Pension Plan credits Pension Benefit Service (PBS) only for periods after October 22, 2007 (when the Company established the Pension Plan) until December 31, 2019 (when the Company froze the Pension Plan).

Protecting your spouse

Your spouse receives half your monthly pension payment if you die first — unless you elect something other than the 50% survivor benefit when you retire.

Survivor benefits work like an extra insurance policy — providing a continuing source of income for your spouse should you die first.

4.11 What are my pension payment options?

Generally, pension benefits are paid monthly in one of these forms:

- Five-year certain and life benefit;
- 50% survivor benefit; or
- 75% or 100% survivor benefit.

Survivor benefits are available only to the spouse to whom you were married on the date you retired.

Additionally, you may elect to receive your pension benefit as a:

- Single lump sum payment upon retirement.

The payment options, listed above, differ in the amount of pension benefits paid while you're alive.

If you're married, they also differ in the amount your spouse receives if you die first.

- **If you're single** — you automatically receive your pension under the five-year certain and life benefit form, unless you elect to receive your benefit as a single lump sum payment.
- **If you're married** — you automatically receive your pension under the 50% survivor benefit form, unless you elect another option before your retirement date and your spouse agrees with the alternate election.

If you have been married for less than 12 months when you retire, your pension is paid under the five-year certain and life benefit form until you have been married for one year, at which time the form you elected at retirement becomes effective and your benefit is adjusted.

If you are married and want to elect a payment option other than the 50% survivor benefit, you must make the request with the SABIC Benefits Service Center within the 180-day period before your pension begins. The SABIC Benefits Service Center will send you the paperwork needed to make the election. You must then elect the alternate payment option **within 63 days** after the date posted on these forms. With this election, you will need your spouse's written consent to the alternate payment option.

Under certain limited circumstances, the Pension Plan permits benefit payments to be started retroactively as of a date prior to the date you make your benefit election. You will be notified of the applicable procedures if such a retroactive starting date applies to you.

If you elect one of the survivor options — the 50% survivor benefit or the 75% or 100% survivor benefit — your annual pension benefit is reduced from the amount you would have received under the five-year certain and life option. This is because the survivor options provide benefits based on a calculation that considers both your life expectancy and that of your spouse. This benefit is expected to produce monthly pension payments for a longer period than if only your life expectancy was considered.

Once benefit payments have commenced, an election of one of the survivor options can be revoked only with your spouse's written consent and upon establishing to the plan administrator's satisfaction that either: (i) your spouse remains in good health, or (ii) you and your spouse have experienced a severe deterioration of the marital relationship consisting of divorce, legal separation, or desertion.

The formulas used for calculating the Regular and Guaranteed Minimum Pensions in Section 6.2, "Guaranteed Minimum Pensions" (and the preceding examples) assume that benefits are paid under the five-year certain and life option.

Note that only your Regular and Guaranteed Minimum Pension is continued to a survivor. Early retirement supplements are not payable to survivors.

Five-year certain and life benefit

The five-year certain and life benefit provides you with an unreduced lifetime benefit and a limited death benefit for your beneficiary.

If you die before receiving 60 monthly payments of your pension, your beneficiary receives a lump-sum payment for the value of the remaining benefits.

If you die after receiving 60 monthly payments of your pension, no benefits are paid to a beneficiary.

50% survivor benefit

The 50% survivor benefit provides your surviving spouse with a monthly benefit payment after you die. The monthly payment your surviving spouse would receive would be equal to 50% of the monthly pension benefit paid while you were alive, not including any early retirement supplements.

If you are married and do not elect a different payment option, your pension, as calculated under the five-year certain and life option, is reduced to provide the continuing benefit during your spouse's remaining lifetime. The reduced benefit is calculated by multiplying your five-year certain and life benefit by a "reduction factor," which is based on your age at retirement and the difference between your age and your spouse's age. Here are some current sample reduction factors for the 50% survivor benefit.

| Your age at retirement | Spouse's age compared with yours | Reduction factor |
|------------------------|----------------------------------|------------------|
| 55 | Three years younger | .940 |
| 60 | Same age | .935 |
| 62 | Four years older | .945 |

For your personalized reduction factor(s) and estimated survivor benefits, based on the specific facts of your own situation (or potential scenarios), you can access Your Pension Resources online at any time (via the Your SABIC Total Rewards website) or you can call the SABIC Benefits Service Center to request a pension estimate between 8:30 a.m. to 5 p.m., Eastern Time, Monday through Friday.

An example: calculating the 50% survivor benefit

Bill, a Legacy Core employee who retires on the first day of the month after his 60th birthday, is eligible to receive \$15,000 in annual pension income. Bill wants to provide his wife Elizabeth, who is five full years older, with additional financial protection in case he dies first. Bill chooses the 50% survivor benefit form of payment.

Here's how it's calculated:

Bill's unreduced annual pension benefit
(as calculated under the five-year certain and life option): \$15,000

Bill's reduction factor: .950

Bill's annual pension benefit under the 50% survivor payment form
(\$15,000 x .950): \$14,250

If Bill dies first, his wife receives 50% of Bill's reduced benefit
amount for the rest of her life: \$7,125

If Bill were single, or did not need to provide for his spouse in case of his death, his pension would remain at \$15,000 because the amount would not need to be reduced in order to provide for annuity payments after his death.

75% or 100% survivor benefit

The 75% and 100% survivor benefit options provide your surviving spouse with a monthly benefit payment after you die. The monthly payment your surviving spouse would receive would be equal to 75% or 100% of the monthly pension benefit paid while you were alive, depending on which of these options you choose, not including any early retirement supplements.

If you are married and do not elect a different payment option, your pension, as calculated under the five-year certain and life option, is reduced to provide the continuing benefit during your spouse's remaining lifetime. The reduced benefit is calculated by multiplying your five-year certain and life benefit by a "reduction factor," which is based on your age at retirement and the difference between your age and your spouse's age. Here are some current sample reduction factors for the 75% and 100% survivor benefits.

| Your age at retirement | Spouse's age compared with yours | 75% survivor benefit reduction factor | 100% survivor benefit reduction factor |
|------------------------|----------------------------------|---------------------------------------|--|
| 55 | Three years younger | .900 | .880 |
| 60 | Same age | .900 | .870 |
| 62 | Four years older | .914 | .880 |

For your personalized reduction factor(s) and estimated survivor benefits, based on the specific facts of your own situation (or potential scenarios), you can access Your Pension Resources online at any time (via the Your SABIC Total Rewards website) or you can call the SABIC Benefits Service Center to request a pension estimate between 8:30 a.m. to 5 p.m., Eastern Time, Monday through Friday.

An example: calculating the 100% or 75% survivor benefit

Mary, a Legacy Core employee who retires on the first day of the month after her 62nd birthday, is eligible to receive \$15,000 in annual pension income. Mary wants to provide her husband Chuck, who is five full years younger, with additional financial protection in case she dies first. Mary chooses the 100% survivor benefit form of payment.

| Here's how it's calculated: | 75% survivor benefit | 100% survivor benefit |
|---|----------------------|-----------------------|
| Mary's unreduced annual pension benefit (as calculated under the five-year certain and life option): | \$15,000 | \$15,000 |
| Mary's reduction factor: | x .869 | x .835 |
| Mary's annual pension benefit under the 100% or 75% survivor payment form (\$15,000 x .835 or \$15,000 x .890): | \$13,035 | \$12,525 |
| If Mary dies first, her husband receives 75% or 100% of Mary's reduced benefit amount for the rest of his life: | \$9,776 | \$12,525 |

If Mary were single, or did not need to provide for her spouse in case of her death, her pension would remain at \$15,000 because the amount would not need to be reduced in order to provide for annuity payments after her death.

Lump Sum

You may elect to receive your pension benefit as a single lump sum payment equal to the value of your entire benefit under the plan. The present value of such benefit is determined based on the Plan's actuarial equivalence factors. By electing this option, you will be entitled to no future benefits from the Plan.

If you are married and your benefit is \$5,000 or greater, your spouse must consent to your election. If you are married and your benefit is greater than \$1,000 but less than \$5,000, your spouse does not need to consent to your election.

Mandatory Cash-Out of Small Pensions

If the present value of the pension benefit payable under the Plan is \$1,000 or less, a lump sum settlement of this amount shall be paid to the person to whom periodic payments would otherwise be paid. The lump sum settlement will be made as soon as administratively practicable following the Employee's termination of Service or Death, as applicable. The present value of such benefit is determined based on the Plan's actuarial equivalence factors.

4.12 What happens in case of my spouse's death?

If you have elected one of the survivor options and your spouse dies before you, then part of the reduction in your pension under the survivor benefit forms is removed if you have been retired for five years or less. You must notify the SABIC Benefits Service Center of your spouse's death. See "Contacts" in Section 7. If you have elected one of the survivor options, and both you and your spouse die before the two of you have received an amount equal to 60 unreduced payments, the remaining plan benefit is paid in a lump sum. The lump sum is paid to your spouse's estate if you die first, or to your beneficiary if your spouse dies first.

4.13 What about my Social Security benefits?

Social Security provides income for you (and your eligible dependents) when you retire or become totally disabled. You and your employers (including SABIC Innovative Plastics) have been paying taxes throughout your working career so that you can receive Social Security benefits. The amount of your monthly Social Security benefit will depend on:

- Your pay during your working career;
- The length of your working career; and
- Your age when your Social Security payments begin.

You can receive full monthly Social Security benefits if you begin benefits at your Social Security Normal Retirement Age, which varies from age 65 to age 67, depending on when you were born. You can start receiving monthly Social Security benefits as early as age 62, but they will be reduced. This information is based on Social Security laws in effect on January 1, 2020.

To ensure that your records are accurate and up to date, you should review the annual statements sent by the Social Security Administration. Errors that are identified early are easier to correct. For more information on estimates, call the Social Security Administration at 1-800-772-1213. Social Security information is also available at www.ssa.gov.

To receive your Social Security benefits, you'll need to apply to the Social Security Administration. Start the process early by filing an application at least three months before you want Social Security benefits to begin.

5. In Special Cases

The SABIC Innovative Plastics Pension Plan provides benefits for eligible plan participants in a number of special situations.

5.1 What other special pension protection does the Company provide for long-service employees?

The Pension Plan provides special pension protection for employees whose service is terminated by the Company because of layoffs. You are eligible for this special protection if you:

- Are terminated due to a plant closing, as a result of a transfer to a certain type of successor employer, or after one year on layoff with protected service; and
- Have at least 25 years of PQS when you are terminated.

Effective December 31, 2019, PQS is generally frozen; however, you continue to earn PQS for purposes of eligibility for the spousal survivor's pension and Accelerated Payment Option described below in this Section 5.1.

Increased protection for your spouse

If you've been married at least 12 months and die before your pension begins, then your spouse will be eligible to receive a survivor's pension on the first of the month following your death, as described in Section 5.3, "What happens if I die before retirement?"

Accelerated Payment Option

If you qualify for the special pension protection described in this Section 5.1, you remain eligible to begin receiving your full Regular or Guaranteed Minimum Pension as early as age 60, or you can elect to receive a reduced amount sooner under the Accelerated Payment Option. This option allows you to start a reduced Regular or Guaranteed Minimum Pension as early as the first day of the month after you reach age 55 or, if later, the first day of the month after your qualifying termination. If you don't start your pension on that day, you can have payments begin on the first day of any later month.

If your pension benefits begin before age 60 under this option, they will be reduced permanently, because they will begin earlier than they would otherwise. Your accelerated payments will equal the Regular or Guaranteed Minimum Pension amount that would have been payable at age 60, reduced by a percentage for each month between the date you start payments and the first day of the month following your 60th birthday.

For a Legacy Core employee, this reduction will equal the sum of:

- One-twelfth (1/12) of 9.5% for each of the first 24 months between the date you start payments and the first day of the month following your 60th birthday, plus
- One-twelfth (1/12) of 7% for each of the next 36 months (if any).

The accelerated payment reduction is thus equal to 9.5% for each of the first two full years your pension is paid early, and 7% for each of the next three full years your pension is paid early. For example:

- If you are eligible and choose to have your pension payments begin immediately after you reach age 55, your payments would be reduced by 40%;
- If you are eligible and choose to have your pension payments begin immediately after you reach age 58, your payments would be reduced by 19%.

If you are a Legacy Core employee who is eligible for special pension protection and, as of the date of your qualifying termination, you are a non-exempt employee subject to the overtime provisions of the Fair Labor Standards Act (FLSA), the accelerated payment

KEY POINT

Long-service employees

If you have at least 25 years of PQS, you may receive special pension protection if you lose your job because of certain Company actions.

MORE INFORMATION

See Section 3.1, "Who is Eligible?," or Section 9, "Key Terms," for definitions of Legacy Core and Legacy Delta employees.

reduction will be different. In this case, it will equal five-twelfths (5/12) of 1% for each month between the date you start payments and the first day of the month following your 60th birthday. This amounts to a reduction of 5% for each full year your pension is paid early.

For Legacy Delta employees, the accelerated payment reduction will be the sum of:

- 25%, plus
- One-twelfth (1/12) of 7.5% for each of the first 24 months from the first day of the month after your 60th birthday to the date you commence your accelerated payments, plus
- One-twelfth (1/12) of 5% for each of the next 36 months (if any).

If you choose to have your pension paid as a 50%, 75% or 100% survivor benefit, there will be additional reductions to reflect the protection available to your surviving spouse, as described in Section 4.11, "What are my pension payment options?"

Please note that if you elect the Accelerated Payment Option, the Regular Supplement will be available only after you reach age 60 (and is only available if you are a Legacy Core employee).

If you're interested in electing the Accelerated Payment Option, please call the SABIC Benefits Service Center. See "Contacts" in Section 7 for more information.

Regular Supplement

Effective December 31, 2019, eligibility for the Regular Supplement was closed. Therefore, no employee whose service terminated after December 31, 2019 due to a plant closing, as a result of a transfer to a certain type of successor employer, or after one year on layoff with protected service, will be eligible for the Regular Supplement provided under these special protection provisions of Section 5.1. You may still be eligible for the Regular Supplement if you meet the requirements described in Section 4.9, "How does the Regular Supplement work?"

5.2 What happens if my business is sold?

If your service with the Company is terminated as a result of a transfer to a successor employer in connection with the transfer or sale of a business, the Company can direct that:

- The SABIC Innovative Plastics Pension Plan assets and liabilities are retained by the SABIC Innovative Plastics Pension Plan; or
- The SABIC Innovative Plastics Pension Plan assets and liabilities are transferred to the successor employer's plan.

In either case, you'll be notified by the Company and will be advised of the treatment of your pension benefits.

5.3 What happens if I die before retirement?

The SABIC Innovative Plastics Pension Plan pays benefits to your beneficiary if you die before retirement under certain circumstances, even if you are no longer working for the Company. This special feature of the plan offers valuable protection to your survivors.

The available benefit — monthly payments or lump-sum payments in some cases — is described below. In all cases, monthly payments are available only to a surviving spouse to whom you had been married for at least 12 months at the time of your death. Non-spouse beneficiaries, or a spouse to whom you had been married for less than one year, may be eligible to receive a lump-sum death benefit. Other pension plan benefits do not apply if you die before retirement. Retirement begins on the day your Regular or Guaranteed Minimum Pension starts.

Monthly payments

Monthly payments, called the pre-retirement spouse benefit, are regular income paid each month for your surviving spouse's remaining lifetime. Depending on your age and service, as shown in the following charts, this benefit is either:

- **Immediate** — it can begin on the first day of the month after your death; or
- **Deferred** — it can begin on the first day of the month after you would have reached age 60 if you had not died.

The monthly benefit amount is based on half of the pension (excluding any early retirement supplements) you would have received had you retired on the first day of the month in which payment begins under the 50% survivor benefit form.

Benefits available if you die before retirement and your death occurs while you are actively working for the Company

| If you die before retirement... | Then your beneficiary will receive... |
|---|--|
| <ul style="list-style-type: none">• At age 60 or older• At age 50-59 with 15 or more years of PQS• Under age 50 with at least 30 years of PQS | Choice of: <ul style="list-style-type: none">• Immediate monthly payments to your surviving spouse; or• Lump-sum death benefit (five-year certain). |
| Under age 50 with 15-29 years of PQS | Choice of: <ul style="list-style-type: none">• Deferred monthly payments to your surviving spouse; or• Lump-sum death benefit (five-year certain). |
| Under age 60 with at least 5 but fewer than 15 years of PQS | Deferred monthly payments to your surviving spouse. |
| Under age 60 with fewer than 5 years of PQS | No benefits are paid to a survivor. |

Benefits available if you die before retirement and your death occurs after you leave the Company

| If you die before retirement... | Then your beneficiary will receive... |
|---|---|
| At age 60 or older with 5 or more years of PQS | Choice of: <ul style="list-style-type: none">• Immediate monthly payments to your surviving spouse; or• Lump-sum death benefit (five-year certain and life). |
| At age 60 or older with fewer than 5 years of PQS | No benefits are paid to a survivor. |
| Under age 60 with 5 or more years of PQS | Deferred monthly payments to your surviving spouse. |
| Under age 60 with fewer than 5 years of PQS | No benefits are paid to a survivor. |

Reduced surviving spouse benefits

If your surviving spouse is eligible for immediate monthly payments, the 50% survivor benefit will be reduced based on the age you would have been at the time payments to your spouse begin. The chart below shows how the total benefit is reduced:

| If your age when payments begin would have been... | Then your spouse's 50% survivor benefit is reduced by... | |
|--|--|------------------------|
| | Legacy Core employees | Legacy Delta employees |
| 65 or older | 0% (no reduction) | 0% (no reduction) |
| 64 | 0% (no reduction) | 5% |
| 63 | 0% (no reduction) | 10% |
| 62 | 0% (no reduction) | 15% |
| 61 | 0% (no reduction) | 20% |
| 60 or older | 0% (no reduction) | 25% |
| 59 | 1% | 26% |
| 58 | 2% | 27% |
| 57 | 3% | 28% |
| 56 | 4% | 29% |
| 55 | 5% | 30% |
| 54 | 6% | 31% |
| 53 | 7% | 32% |
| 52 | 8% | 33% |
| 51 | 9% | 34% |
| 50 or younger | 10% | 35% |

Waiving the benefit

You can waive the pre-retirement spouse benefit with your spouse's written consent at any time after the beginning of the calendar year in which you reach age 35. If you elect to waive this benefit, any lump-sum death benefits become payable to your beneficiary if you die before retirement.

Lump-sum death benefit

The lump-sum death benefit is a one-time payment of a five-year certain benefit — i.e., the lump-sum value of the first 60 monthly payments of the pension you had earned up to the time of your death. If payment is made before your 60th birthday, the total is reduced based on the age you would have been when payment occurs as shown in the chart under "Reduced surviving spouse benefits."

5.4 What happens if I become permanently disabled?

If you have at least 15 years of PQS and become permanently disabled while an active employee participating in the SABIC Innovative Plastics Pension Plan, you may qualify to retire with a Disability Pension. To qualify, you must be:

- Unable to perform your present job because of a medically determinable, permanent physical or mental impairment; and
- Unable to earn more than 80% of your pre-disability earnings at:
 - Your own occupation, or
 - Any other available employer or job in your local economy for which you are reasonably fitted by your remaining capacities and by your education, training, or experience. (The local economy is defined as 60 miles from your residence at the time of disability.)

Effective December 31, 2019, PQS is frozen and, therefore, will not increase for periods after such date. Accordingly, you are eligible to receive a Disability Pension only if you had at least 15 years of PQS as of December 31, 2019. If you did not have 15 years of PQS as of that date, you will not be eligible for a Disability Pension in the event that you become disabled.

The Disability Plan Administrator determines whether you're eligible for a Disability Pension based on appropriate verification.

In any event, your Disability Pension will not begin until a physician designated by the Company has approved your application. The Disability Plan Administrator may periodically ask for proof of your continuing disability. If you regain your work capacity prior to reaching age 60, your Disability Pension may be discontinued.

Amount of Disability Pension

You receive the greatest of:

- Your Regular Pension, reduced if payments begin before you reach age 60;
- Your Guaranteed Minimum Pension, reduced if payments begin before you reach age 60; or
- A minimum disability pension equal to \$54 for each year of PBS.

Effective December 31, 2019, PBS is frozen and, therefore, will not increase for periods after such date. Accordingly, the amount of your Disability Pension (if eligible) will not increase for periods after December 31, 2019.

The amount your Disability Pension is reduced (if payments begin before you reach age 60) depends on your age when payments begin.

| Age at which benefits begin | Reduction in benefit | |
|-----------------------------|-----------------------|------------------------|
| | Legacy Core employees | Legacy Delta employees |
| 59 | 2% | 27% |
| 58 | 4% | 29% |
| 57 | 6% | 31% |
| 56 | 8% | 33% |
| 55 | 10% | 35% |
| 54 or less | 12% | 37% |

5.5 What if I leave the Company before retirement?

If you leave the Company (and do not go to work with any affiliate) before you are eligible for retirement and your continuous service ends, you can receive benefits from the plan, depending on your years of PQS.

For employees with less than five years of PQS

If you are not vested in the Regular or Guaranteed Minimum Pension (have fewer than five years of PQS) when you leave the Company, you are not eligible for any benefits from the Pension Plan.

For employees with at least five years of PQS

If you are vested (have at least five years of PQS or a combination of at least five years of PQS and Vesting Service), you are eligible to receive a vested benefit in monthly payments or a lump sum. Your vested benefit equals the greater of your Regular Pension or your Guaranteed Minimum Pension.

MORE INFORMATION

Notify the Company

If you leave the Company, you must notify the Company at least three months before you want payments of your vested pension to begin.

Benefits after termination — Prior to April 1, 2015, you could begin receiving your vested pension as soon as you would have been eligible for retirement under the SABIC Innovative Plastics Pension Plan. Effective April 1, 2015, you became eligible to receive the present value of your vested retirement benefit at any time. It is almost always to your advantage to begin payments by age 60, if you are a Legacy Core Employee, or by age 65 if you are a Legacy Delta Employee.

You must notify the Company at least three months before the date you want payments to begin. If you don't elect a date, payments begin automatically on April 1 following the year in which you reach age 72. The Company will attempt to notify you of your pension payment options when you near age 65, so you should keep the Company updated if you move or change your address.

In case of your death — If you die after leaving the Company with a vested Regular or Guaranteed Minimum Pension (which means you have at least five years of PQS), your spouse and/or beneficiary may receive a benefit from the plan. The pre-retirement spouse and beneficiary benefits are described in Section 5.3, "What happens if I die before retirement?"

5.6 What if I am rehired?

Automatic enrollment

The SABIC Innovative Plastics Pension Plan was **closed** to any additional participants (new hires, newly eligible or rehired) effective January 1, 2014. Only Legacy Core and Legacy Delta employees hired into an eligible position within the Innovative Plastics entity on or before December 31, 2013 continued accruing benefits under this Plan.

If you were re-employed as an eligible employee of the SABIC Innovative Plastics business on or before December 31, 2013, you were automatically re-enrolled in the Pension Plan. If you broke service with the Company prior to January 1, 2014, and are re-employed by any SABIC U.S. entity on or after January 1, 2014, you are rehired as a **Zeta** employee (on the Zeta retirement platform), so you are **not** eligible to be re-enrolled in the Pension Plan. Please refer to the SPD for the 401(k) Savings Plan for the retirement benefits available to Zeta employees.

If you left the Company before retirement

If you left the Company before retirement and were later rehired by the Company on or after January 1, 2014, you could no longer continue to accrue benefits under this Plan, since this Plan was closed to new hires, newly eligible or rehires effective January 1, 2014.

If you retired from the Company

If you retired for any reason and were later rehired by the Company on or after January 1, 2014, you could no longer continue to accrue benefits under this Plan, since this Plan was closed to new hires, newly eligible or rehires effective January 1, 2014. After re-employment:

- Your pension payments are suspended;
- Your previous survivor election is canceled; and
- You must have another qualifying event (e.g., another qualifying layoff or qualifying disability) to be eligible for the benefits referred to in Section 5, "In Special Cases," including special pension protection.

When you retire again, pension benefits you received during your original retirement period will be taken into account when calculating pension benefits for you and your spouse. The death benefit your beneficiary receives will be reduced by the amount of the benefits paid to you during your period of retirement.

Special rules may apply if you are rehired after retirement on a temporary basis. You will be notified if these rules apply to you.

5.7 What special rules apply if I serve in the military?

If you have a military leave of absence

The Pension Plan provides for service crediting, as required by law. If you go out on a qualifying military leave of absence, your accumulated benefit and pension service credits are maintained. You may also be eligible to have your pension service credit restored after returning to the Company after a military leave of absence. For more information, call the SABIC Benefits Service Center at 877 SABIC US (877.722.4287).

Notes on the Heroes Earnings Assistance and Relief Tax Act of 2008 (HEART Act):

In accordance with the HEART Act, if you die while performing qualified military service on or after January 1, 2007, your survivors are entitled to any additional benefits (other than credit for benefit service relating to the period of your qualified military service) which would be payable under the Pension Plan if you had resumed your employment with the Company the day before your death. If you wish to learn more about how your rights under the HEART Act might affect your survivors' benefits under the Pension Plan, please contact the SABIC Benefits Service Center.

5.8 How do federal regulations affect the plan?

The SABIC Innovative Plastics Pension Plan is a qualified plan under Section 401(a) of the Internal Revenue Code, and is subject to federal regulations, some of which may affect you. Additional information on federal rules and regulations that affect your rights and benefits under this plan can be found in Section 8, Administration and Other Important Information.

This SABIC Innovative Plastics Pension Plan is a defined benefit plan, which means the benefit you receive at retirement is determined according to the provisions of the Plan, and is not influenced by investment performance. Unlike a defined contribution plan, such as the 401(k) Savings Plan, no funds are held in an individual account for any participant.

Compensation limits

Internal Revenue Service (IRS) rules do not permit annual pay over a certain amount (\$280,000 in 2019) to be considered when calculating your benefits under the plan. This amount was subject to annual cost-of-living adjustments by the IRS.

Maximum benefits

In any given year, the total amount of benefits you may receive from a tax-qualified defined benefit plan, such as the SABIC Innovative Plastics Pension Plan, is also limited by law. For 2019 the combined annual benefit payable from the plan was limited to \$225,000 or your highest average three consecutive calendar years of pay. These limitations are determined in accordance with complex IRS rules and are unlikely to apply to your benefit.

Limits on supplements

By law, early retirement supplements provided to you by the plan, such as the Regular Supplement and Special Early Retirement Supplement, cannot exceed your Social Security retirement benefits. In certain limited cases, the amount of your total supplements will be limited to your unreduced Social Security retirement benefit in order to comply with this rule.

Protection of your benefits

In addition to applying legal limits, federal regulations provide some protection for your benefits.

Your SABIC Innovative Plastics Pension Plan benefits may not be used as security for loans. Your pension benefits may not be garnished or attached by your creditors or be assigned in any way to anyone else, except to comply with a qualified domestic relations order (QDRO) such as a divorce decree or a child support order, or a federal tax lien (or its equivalent). You will be notified if a qualified domestic relations order or federal tax lien affecting your benefits is received by the Company. To get a statement of QDRO

procedures at no cost to you, contact the SABIC Benefits Service Center (see “Contacts” in Section 7 for more information).

Funding-based restrictions on plan benefits

The Pension Protection Act of 2006 imposed certain benefit restrictions on the Plan that apply during any period when its funded status falls below certain thresholds prescribed by this law. During any period when these restrictions are in effect for the Plan, certain benefit distribution forms, plan amendments, benefit accruals and contingent event benefits may become unavailable.

Pension Benefit Guaranty Corporation

Your pension benefits under this plan are insured by the Pension Benefit Guaranty Corporation (PBGC), a federal insurance agency. If the plan terminates (ends) without enough money to pay all benefits, the PBGC will step in to pay pension benefits. Most people receive all of the pension benefits they would have received under their plan, but some people may lose certain benefits.

The PBGC guarantee generally covers:

- Normal and early retirement benefits;
- Disability benefits if you become disabled before the plan terminates; and
- Certain benefits for your survivors.

The PBGC guarantee generally does not cover:

- Benefits greater than the maximum guaranteed amount set by law for the year in which the plan terminates;
- Benefit increases and new benefits based on plan provisions that have been in place for fewer than five years at the earlier of
 - the date the plan terminates; or
 - the time the plan becomes insolvent;
- Benefits that are not vested because you have not worked long enough for the Company;
- Benefits for which you have not met all of the requirements at the time the plan terminates;
- Certain early retirement payments (such as supplemental benefits that stop when you become eligible for Social Security) that result in an early retirement monthly benefit greater than your monthly benefit at the plan’s normal retirement age; and
- Non-pension benefits, such as certain death benefits.

Even if certain portions of your benefits are not guaranteed, you may still receive some of those benefits from the PBGC depending on how much money your plan has and on how much the PBGC collects from employers.

For more information about the PBGC and the benefits it guarantees, ask your plan administrator, or contact the PBGC’s Technical Assistance Division, 1200 K Street N.W., Suite 930, Washington, DC, 20005-4026 or call 1-202-326-4000 (not a toll-free number). TTY users may call the federal relay service toll-free at 1-800-877-8339 and ask to be connected to 1-202-326-4000. Additional information about the PBGC’s pension insurance program is available through the PBGC’s website at www.pbgc.gov.

6. Look-It-Up Charts

This section of the SPD contains charts that will help you understand how your Pension Plan benefits are calculated (before any reduction for early commencement):

- For the Regular Pension, see Section 6.1, “Regular Pension credit formulas.”
- For the Guaranteed Minimum Pension, see Section 6.2, “Guaranteed Minimum Pensions.”
- 50%, 75%, and 100% Survivor Options - For your personalized reduction factor(s) and estimated survivor benefits, based on the specific facts of your own situation (or potential scenarios), you can access Your Pension Resources online at any time (via the Your SABIC Total Rewards website) or you can call the SABIC Benefits Service Center to request a pension estimate between 8:30 a.m. to 5 p.m., Eastern Time, Monday through Friday.
- Lump Sum Option - For your personalized estimated lump sum benefit, based on the specific facts of your own situation (or potential scenarios), you can access Your Pension Resources online at any time (via the Your SABIC Total Rewards website) or you can call the SABIC Benefits Service Center to request an estimate.

6.1 Regular Pension credit formulas

Following are plan formulas used in calculating the Regular Pension. The calculations in this chart are based on payment in annual amounts under the normal five-year certain and life option. Divide by 12 for monthly amounts under this form of distribution.

From 10/22/2007 through 12/31/2007

1.45% of pay up to \$35,000 + 1.90% of pay above \$35,000.

For years 2008, 2009, 2010, and 2011

1.45% of pay up to \$40,000 + 1.90% of pay above \$40,000.

For year 2012

1.45% of pay up to \$49,000 + 1.90% of pay above \$49,000.

For year 2013

1.45% of pay up to \$52,000 + 1.90% of pay above \$52,000.

For year 2014

1.45% of pay up to \$55,000 + 1.90% of pay above \$55,000.

For year 2015

1.45% of pay up to \$58,000 + 1.90% of pay above \$58,000.

For year 2016

1.45% of pay up to \$61,000 + 1.90% of pay above \$61,000.

For year 2017

1.45% of pay up to \$64,000 + 1.90% of pay above \$64,000.

For year 2018

1.45% of pay up to \$67,000 + 1.90% of pay above \$67,000.

For year 2019

1.45% of pay up to \$70,000 + 1.90% of pay above \$70,000.

For years 2020 and beyond

No pension credits.

6.2 Guaranteed Minimum Pensions

Use the chart below to determine your Guaranteed Minimum Pension for each year of PBS.

The calculations in the chart below are based on payment under the normal five-year certain and life option.

| Your "High-3 Pay" | | Your annual Guaranteed Minimum Pension for each year of PBS |
|-------------------|---------------------|---|
| Over | Up to and including | |
| \$0 | \$37,750 | \$408.00 |
| \$37,751 | \$38,500 | \$417.00 |
| \$38,501 | \$39,250 | \$426.00 |
| \$39,251 | \$40,000 | \$435.00 |
| \$40,001 | \$40,750 | \$444.00 |
| \$40,751 | \$41,500 | \$453.00 |
| \$41,501 | \$42,250 | \$462.00 |
| \$42,251 | \$43,000 | \$471.00 |
| \$43,001 | \$43,750 | \$480.00 |
| \$43,751 | \$44,500 | \$489.00 |
| \$44,501 | \$45,250 | \$498.00 |
| \$45,251 | \$46,000 | \$507.00 |
| \$46,001 | \$46,750 | \$516.00 |
| \$46,751 | \$47,500 | \$525.00 |
| \$47,501 | \$48,250 | \$534.00 |
| \$48,251 | \$49,000 | \$543.00 |
| \$49,001 | \$49,750 | \$552.00 |
| \$49,751 | \$50,500 | \$561.00 |
| \$50,501 | \$51,250 | \$570.00 |
| \$51,251 | \$52,000 | \$579.00 |
| \$52,001 | \$52,750 | \$588.00 |
| \$52,751 | \$53,500 | \$597.00 |
| \$53,501 | \$54,250 | \$606.00 |
| \$54,251 | \$55,000 | \$615.00 |
| \$55,001 | \$55,750 | \$624.00 |
| \$55,751 | \$56,500 | \$633.00 |
| \$56,501 | \$57,250 | \$642.00 |
| \$57,251 | \$58,000 | \$651.00 |
| \$58,001 | \$58,750 | \$660.00 |
| \$58,751 | \$59,500 | \$669.00 |
| \$59,501 | \$60,250 | \$678.00 |
| \$60,251 | \$61,000 | \$687.00 |
| \$61,001 | \$61,750 | \$696.00 |
| \$61,751 | \$62,500 | \$705.00 |
| \$62,501 | \$63,250 | \$714.00 |
| \$63,251 | \$64,000 | \$723.00 |
| \$64,001 | \$64,750 | \$732.00 |
| \$64,751 | \$65,500 | \$741.00 |
| \$65,501 | \$66,250 | \$750.00 |
| \$66,251 | \$67,000 | \$759.00 |
| \$67,001 | \$67,750 | \$768.00 |
| \$67,751 | \$68,500 | \$777.00 |
| \$68,501 | \$69,250 | \$786.00 |
| \$69,251 | \$70,000 | \$795.00 |
| \$70,001 | \$70,750 | \$804.00 |
| \$70,751 | \$71,500 | \$813.00 |
| \$71,501 | \$72,250 | \$822.00 |
| \$72,251 | \$73,000 | \$831.00 |
| \$73,001 | | \$840.00 |

7 Contacts

| Program/Plan | Contact | Reasons to access |
|---|---|---|
| General Resources | | |
| SABIC Innovative Plastics Pension Plan | SABIC Benefits Service Center www.benefits-us.sabic.com 1-877-SABIC-US (1-877-722-4287) | <ul style="list-style-type: none">• Get a password so you can access Your Pension Resources online and customer service representatives.• Model a pension estimate using Your Pension Resources.• Request to commence your Pension benefit.• Name or change your beneficiary.• Request certain forms and information—QDRO procedures.• Ask questions about the plan. |

8 Administration and Other Important Information

This section provides important administrative information about the plan described in this summary plan description (SPD).

Although the Company is not required by law to provide any of the benefits described in this SPD, federal law does regulate certain types of benefits when they are offered. This section describes your legal rights under the Employee Retirement Income Security Act of 1974, as amended (ERISA) and also contains other important administrative information.

For employees not conversant in English

If you have a limited knowledge of the English language and have difficulty understanding this description, you can request a language line be used, to obtain assistance in the language most familiar to you.

Para los empleados que no tienen mucho conocimiento del inglés

Si usted tiene un conocimiento limitado del idioma inglés y tiene dificultad entender esta descripción, usted puede solicitar que se utilice una línea de idiomas para obtener ayuda en su idioma.

KEY POINT

Your SABIC Total Rewards Statement

To help keep you up to date on your benefits, SABIC provides personalized benefit information and account estimates to employees each year. This annual update, which can be accessed online 24 hours a day/seven days a week at www.benefits-us.sabic.com, is called Your SABIC Total Rewards. A personalized benefits statement can be generated at any time using this online tool.

8.1 Who is the Plan Sponsor?

The Plan Sponsor for the SABIC Innovative Plastics Pension Plan is:

SABIC Innovative Plastics US LLC
2500 Citywest Blvd.
Suite 100
Houston, TX 77042
518-475-5477

The employer identification number (EIN) assigned to SABIC Innovative Plastics US LLC (the sponsor of this plan) by the Internal Revenue Service is: **33-1169273**.

8.2 Who is the Plan Administrator?

The plan administrator has authority to control and manage the operation and administration of the Pension Plan and is the agent for service of legal process.

The plan administrator for the SABIC Innovative Plastics Pension Plan is:

SABIC U.S. Retirement Plan Committee
2500 Citywest Blvd.
Suite 100
Houston, TX 77042
518-475-5477

Legal process also may be served on any trustee responsible for the administration of any applicable trust.

In carrying out their respective responsibilities, the plan administrators and other plan fiduciaries have discretionary authority to interpret the terms of the applicable plan and to determine eligibility for and entitlement to plan benefits, in accordance with the terms of the plan. Any such interpretation or determination will be given full force and effect, unless shown to be arbitrary and capricious.

8.3 How Can I Access Official Plan Documents?

This summary plan description (SPD) is subject to the provisions of the official plan documents and other governing instruments. Copies of the official plan documents, as well as the latest annual reports of plan operations and summary plan descriptions of all Company plans, are available for your review during normal working hours at your local human resources office or at the following location:

SABIC Human Resources Department
2500 Citywest Blvd.
Suite 100
Houston, TX 77042
518-475-5477

To request a copy of a particular plan document, please write or call.

If there is any discrepancy between the information summarized in this SPD and the official plan documents, the plan documents will govern.

8.4 Can the Plan Be Changed, Replaced or Terminated?

The Plan was frozen on December 31, 2019. Accordingly, no new benefits will be accrued after such date. The SABIC Innovative Plastics Pension Plan was **closed** to any additional participants (new hires, newly eligible or rehired) effective January 1, 2014. Only Legacy Core and Legacy Delta employees hired, rehired, or newly eligible into the Innovative Plastics entity on or before December 31, 2013 accrued benefits under this Plan.

The Plan Sponsor reserves the right to terminate, amend or replace the Pension Plan, in whole or in part, at any time and for any reason, by action of the Board of Directors of the Plan Sponsor or such person(s) as the Board of Directors of the Plan Sponsor may designate.

A decision to terminate, amend or replace a program or plan may be due to changes in federal law or state laws governing qualified retirement or welfare benefits, the requirements of the Internal Revenue Service, ERISA or any other reason. A plan change may include transferring all or a portion of plan assets and debts to another plan (which may be maintained by a successor employer or some other unaffiliated entity) or splitting a plan into two or more parts.

If the SABIC Innovative Plastics Pension Plan is terminated, you will have a right to your accrued benefit at the time of termination.

8.5 How Is the Pension Plan Funded?

The Pension Plan described in this SPD is funded directly by the Company from its general assets. Some of the funds of the Company's retirement plans, as indicated below, are held in trust for the benefit of plan participants, and may be used by the trustees to pay expenses incurred in the administration of the plans.

As of January 1, 2020, the name of the trust is:

SABIC Innovative Plastics Master Retirement Defined Benefit Pension Trust

As of October 1, 2020, the name of the trust is:

SABIC Defined Benefit Pension Master Trust

As of January 1, 2020, the trustee is:

The Northern Trust Company
50 South La Salle Street
Chicago, IL 60603

As of October 1, 2020, the trustee is:

State Street Bank and Trust Company
1 Iron Street
Boston, MA 02210

All contributions by the Company or any Participating Company to any Pension Plan trusts are conditioned upon their being deductible for federal income tax purposes. In no way does the Company guarantee the payment of any benefits that are funded by these trusts. Nothing in the Pension Plan will be deemed to give any participant, beneficiary, former participant, or spouse an interest in any specific trust assets or any other interest, except the right to receive benefits according to the provisions of the Pension Plan.

8.6 What Are the Claims and Appeals Procedures?

You (or your beneficiary) are responsible for taking the appropriate action to apply for and receive the benefits for which you (or your beneficiary) are eligible under the Pension Plan. This may require that you visit the websites, make the phone calls, and/or prepare and file the appropriate forms, as described in this SPD. The forms and other documentation required by you (or your beneficiary) to apply for and receive the benefits under the Pension Plan described in this SPD are available from the SABIC Benefits Service Center at 877 SABIC US (877.722.4287).

The plan administrator has the authority and responsibility to interpret the provisions of the plan, subject only to the limits of applicable state or federal law. The nature and extent of this authority is described in the plan document.

This Section 8.6 is intended to satisfy the requirements for employee benefit plan procedures pertaining to claims for benefits by participants and beneficiaries in accordance with the requirements of ERISA Sections 503 and 505, and the regulations thereunder.

If you dispute the response to your request for benefits under the SABIC Pension Plan, you (or your beneficiary) must submit the disputed claim for benefits to:

SABIC U.S. Retirement Plan Committee
2500 Citywest Blvd.
Suite 100
Houston, TX 77042

The Retirement Plan Committee, or its designee, will evaluate your claim.

If the claim is denied in whole or in part, you (or your beneficiary) will receive a written notice within 90 days — or within 180 days under special circumstances — from the Retirement Committee or its designee. The notice will include:

- The reason for the denial, with specific reference to the pertinent plan provisions on which the denial is based;
- A description of any information or materials necessary to process the claim properly and the reasons why the materials are needed; and
- An explanation of the claims review procedure.

To appeal the denial you (or your beneficiary) must file a written request for reconsideration to the Retirement Plan Committee or its designee (as specified in the initial written notice) within 60 days after receiving the denial. The appeal procedures must be exhausted before you can enforce your rights under ERISA. If you fail to appeal within 60 days of receiving the denial your claim is permanently extinguished. The appeal must be a written statement:

1. Requesting a review of your claim for benefits by the Committee;
2. Setting forth all the grounds upon which your request for review is based and any facts in support thereof; and
3. Setting forth any issues or comments that you deem relevant to your request.

Your request should be accompanied by documents or records in support of the appeal. The Retirement Committee or its designee will respond within 60 days — or 120 days under special circumstances — after receipt of the appeal, explaining the reasons for the decision, with specific reference to the plan provisions on which the decision is based. If supported by substantial evidence in the record, the decision of the Retirement Plan Committee on any request for benefits shall be final, conclusive and binding on you, except as provided by law.

If you want to bring a legal action against the Plan Sponsor or the plan administrator, you must do so by the earlier of (i) the date that is one year after the date your claim was denied on appeal or (ii) the date that is three years from the date a cause of action accrued.

Claims must be brought in the United States District Court for the Southern District of Texas. To the extent a claim cannot be brought in that court, it may be brought in the district courts of Harris County, Texas. Furthermore, all claims shall be governed by the laws of Texas to the extent that they are not covered by the Employee Retirement Income Security Act and federal law.

Special Rules for Disability Pension Claims

If you are making a claim that you are entitled to a disability pension benefit, the general rules described above apply, with a few differences.

First, different time frames apply:

- The Retirement Plan Committee (or its designee) will notify you of its decision on your initial request for benefits within 45 days after you file your request. The Committee may extend this period by 30 days, if the Committee determines that an extension is necessary due to matters outside its control and if the Pension Board notifies you in writing within the initial 45-day period. The Committee may extend this period by another 30 days on the same terms. The notice of extension will explain the requirements for a disability pension benefit, the unresolved issues that prevent resolution of your claim, and the additional information needed to resolve those issues. You will have 45 days to provide the specified information.
- If your claim has been turned down and you want the claim reviewed, you have 180 days after the claim is denied to make a written request for another review.
- The Committee (or its designee) will give you a written decision on your appeal generally within 45 days, or up to 90 days if special circumstances require an extension.

Second, if the Committee denies your initial claim or your appeal, its denial will include, if applicable, a copy of any internal rule, guideline or protocol that was relied on to make the adverse determination (or a statement that such rule was relied on and a copy will be provided on request).

Third, the rules for appeal of a claim for a disability pension benefit are somewhat different from those that apply to regular pension benefit appeals. The review on appeal must not defer to the initial adverse determination and may not be conducted by the individual who made the initial adverse determination or that individual's subordinate. Also, if the determination is based in whole or in part on a medical judgment, the Committee (or its

designee) must consult with an appropriate health care professional who was not consulted in connection with the initial adverse determination and who is not the subordinate of someone who was consulted in the initial determination. The identities of any medical or vocational experts with whom the Committee consults will be included in the Committee's decision.

8.7 What Are My Rights Under ERISA?

As a participant in the Pension Plan described in this SPD, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974, as amended (ERISA). ERISA provides that all plan participants shall be entitled to:

Receive information about your plan and benefits

- Examine without charge, at the plan administrator's office and at major Company locations, all plan documents, any applicable collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration (EBSA).
- Obtain, upon written request to the plan administrator, copies of all plan documents, the latest annual report (Form 5500 Series) and updated summary plan description. The administrator may make a reasonable charge for the copies.
- Receive a summary of the Pension Plan's annual financial report. The plan administrator is required by law to provide each plan participant with a copy of this "annual funding notice."
- For the SABIC Innovative Plastics Pension Plan, obtain, at your request and free of charge, a statement once every 12 months telling you whether you have a right to receive a pension at normal retirement age (age 65), and if so, what your benefits under the plan would be at normal retirement age if you were to stop working now. If you do not have a right to a pension, the statement will tell you how many more years you would have to work to receive a pension.

The pension estimates available through the Your Pension Resources system constitute the pension benefit statements the Plan is required to make available to you under the Pension Protection Act of 2006. You may also request a paper version of the benefit statement, free of charge (up to two requests per year), by contacting the SABIC Benefits Service Center at 877 SABIC US (877.722.4287).

Prudent actions by plan fiduciaries

In addition to creating rights of plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your Pension Plan, called "fiduciaries" of the plan, have a duty to do so prudently and in the interest of you and other Pension Plan participants and beneficiaries. No one, including the Company, your union or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a benefit under the Pension Plan or exercising your rights under ERISA.

Enforce your rights

If your claim for a benefit under the Pension Plan is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules. See Section 8.6, "What are the claims and appeals procedures?" for details.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of plan documents or the latest annual report from the plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent for reasons beyond the control of the administrator. If you

have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court after you have exhausted the procedures referred to above, in Section 8.6, “What are the claims and appeals procedures?” In addition, if you disagree with the plan’s decision, or lack thereof, concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in Federal court. If it should happen that plan fiduciaries misuse the plan’s money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the party you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with your questions

If you have any questions about the Pension Plan, you should contact the plan administrator or submit inquiries in the manner referred to throughout this SPD. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, you should contact the nearest office of the Employee Benefits Security Administration (EBSA), U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration (EBSA), U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, DC 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of EBSA.

8.8 Which SABIC Affiliates Are Participating Companies?

As of January 1, 2020, the following companies are Participating Companies under the SABIC Innovative Plastics Pension Plan. If you have a question about whether a SABIC company or affiliate is a Participating Company, contact the SABIC Benefits Service Center at 877 SABIC US (877.722.4287).

| Participating Companies |
|--|
| Exatec, LLC |
| SABIC Innovative Plastics Mt. Vernon, Inc. |
| SABIC Innovative Plastics US LLC |
| SABIC Petrochemicals Holding US, Inc. |
| SABIC Americas, Inc. |

8.9 Plan Identification

The information in this section is effective as of January 1, 2020.

- **Plan number** — 004
- **Plan type** — defined benefit plan
- **Source of contributions** — the Company and Participating Companies
- How benefits are paid — by the master trust identified in Section 8.5

| MORE INFORMATION |
|--|
| <p>Plan Year</p> <p>The plan year for the Pension Plan begins January 1 and ends December 31.</p> |

9 Key Terms

Important Definitions

This section provides brief explanations, in non-technical language, of important terms used in this SPD. In most cases, these same words are “defined terms” contained in the plan document for the Pension Plan and have detailed technical definitions, which are summarized below.

In general, capitalization of key terms has been avoided to make the SPD easier to read and understand. The use of lowercase lettering in the SPD is not intended to alter the defined meaning or importance of any term. If a word is capitalized in the summary below, it is also capitalized in the text of the SPD when it is intended to have the meaning described in this section.

active payroll — On the “active payroll” means you are receiving a regular paycheck directly from the Company to pay your wages for services you are currently providing to the Company.

affiliate — A business entity owned in whole or in part, directly or indirectly, by SABIC. Affiliate generally refers to a business entity in which SABIC has a 50% or more interest.

Company — SABIC Innovative Plastics and SABIC Americas, Inc. and its affiliates that participate in the Pension Plan. The term “Company” means the affiliate that maintains you on its active payroll. However, when used in connection with sponsorship of the plans and programs described in this SPD, “Company” refers to the SABIC Innovative Plastics US LLC. See Section 8.8, “Which SABIC affiliates are participating companies?”

employee — An individual on the active payroll of the Company. Not included are:

- Employees covered by a collective bargaining agreement that does not provide for participation in the Pension Plan;
- Employees of affiliates that do not participate in the Pension Plan (see Section 8.8, “Which SABIC affiliates are participating companies?”);
- Individuals classified by the Company as leased employees, contingent workers or as independent contractors;
- Any individuals engaged under an agreement that states that they are not eligible to participate in the Pension Plan;
- Any other individuals who provide services to the Company but are not on the active payroll of the Company; and
- Special classifications of employees that are not eligible, as determined by the Company.

In the event you are denied eligibility because you are not treated as an employee, your reclassification as an employee will not entitle you to participate in the applicable plan or program.

hour of service — Generally, an hour for which you are directly or indirectly paid, or entitled to be paid, by the Company for work you’ve performed as an employee. It includes hours you’re actively at work and hours for which you are considered to be at work, such as vacations or illness, or any hour for which you are granted credit under the rules of the Retirement Plan Committee. Service under the SABIC Innovative Plastics Pension Plan is determined on the basis of months worked. You will be credited with 190 hours of service for any month during which you perform at least one hour of service.

Legacy Core —You are a Legacy Core employee if you were hired by the Innovative Plastics business before January 1, 2014 and participated in the “Core” retirement benefits platform. See Section 3.1, “Who is eligible?” for a detailed definition.

Legacy Delta —You are a Legacy Delta employee if you were hired by the Innovative Plastics business before January 1, 2014 and participated in the “Delta” retirement benefits platform. See Section 3.1, “Who is eligible?” for a detailed definition.

Pension Benefit Service (PBS) —You earn PBS from your date of hire to the date you are considered terminated for Pension Benefit Service. For each month in which you complete at least one hour of service, you earn 190 hours of service for that month. You earn a full year of Pension Benefit Service if you are credited with 2,280 or more hours of service during a calendar year. You earn a partial year of credited service if you are credited with fewer than 2,280 hours of service in a calendar year. PBS does not include service that is linked to pension benefits and plan assets transferred to another plan. Pension Benefit Service does not include service earned as a General Electric employee. Effective

December 31, 2019, PBS is frozen and, therefore, you will not earn any PBS after such date.

Pension Qualification Service (PQS) — Pension Qualification Service is used to determine eligibility for vesting, eligibility for unreduced optional retirement (if you are a Legacy Delta employee), and eligibility for a regular retirement supplement. You started to earn PQS on the first day you performed an hour of service with the Company. You earn a full year of PQS for each calendar year in which you earn at least 1,000 hours of service. If you transfer between a nonparticipating affiliate and the Company, or if your business is acquired by the Company, you may receive PQS credit for some or all of your service with the nonparticipating affiliate or the acquired business. For example, if you were a participant in the GE Pension Plan on October 21, 2007 (and transitioned to SABIC Innovative Plastics on October 22, 2007), your Pension Qualification Service with GE counts under this plan. If you were a GE Plastics employee on an approved leave of absence with GE on October 21, 2007 and subsequently transitioned from GE to SABIC Innovative Plastics within one year (365 days) of October 22, 2007, your Pension Qualification Service with GE counts under this plan. Effective December 31, 2019, PQS is frozen and, therefore, you will not earn any PQS after such date except for purposes of determining eligibility for early retirement and death benefits.

permanent job-loss event — Circumstances under which jobs are lost as a direct result of one of the following Company actions: layoff; work transfer; installation of automated manufacturing or office machine or introduction of a robot; discontinuation of a discrete, unreplaced product line; or any other reduction in the work force of indefinite duration.

plan administrator — The plan administrator is the Retirement Committee.

Plan Sponsor — SABIC Innovative Plastics US LLC sponsors the Pension Plan.

plan year — A 12-month period beginning January 1 and ending December 31.

shutdown (primary) — One or more periods of time of at least one week duration during which a plant is closed for vacation purposes. Where permitted by law, employees may be required to take their paid vacation, if any, up to the length of the shutdown period(s), during this time.

Retirement Committee — The committee appointed by the Board of Directors of the Plan Sponsor to administer the SABIC Innovative Plastics Pension (and 401(k) Savings Plan).

Savings Plan — The Savings Plan, or "401(k) Savings Plan," means the SABIC U.S. Employee Retirement Savings Plan, which is the defined contribution plan sponsored by the Company.

spouse — The person to whom you are legally married, or to whom you were previously married (in the case of the employee's or retiree's death, or to the extent required under a QDRO).

user ID — A code that serves, along with your employee identification number, as a confidential identifier allowing access to certain SABIC websites and computerized telephone transaction systems for employee benefits.

work transfer — The terms "transfer of work," "to transfer work" and "work transfer" mean the discontinuance of ongoing work at one location coupled with the assignment of the same work to a different location, including subcontracting the same work to another employer, if such assignment of work would directly cause a decrease in the number of employees performing such work at the first location.